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THE
FIFTH ANNUAL REPORT

OF THE

PHILADELPHIA, WILMINGTON & BALTIMORE

RAILROAD COMPANY,

WITH THE

REPORT OF THE CHIEF ENGINEER,

AND

PROCEEDINGS OF THE STOCKHOLDERS' MEETING,

HELD JANUARY 9, 1843.

Philadelphia,

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1843.

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Office of the Philadelphia, Wilmington and Baltimore Railroad Company.

WILMINGTON, JANUARY 9th, 1843.

To the Stockholders of the Philadelphia, Wilmington and Baltimore Railroad Company.

The Board of Directors of the Philadelphia, Wilmington and Baltimore Railroad Company, in pursuance with the requirements of their Charter, submit the following Annual Statement for the year, ending the 31st December, 1842.

The aggregate funded debt of the Company, as ascertained shortly after the commencement of the past year, was \$2,972,887.16; maturing as follows: \$700,000 on the first day of June, 1842; \$878,760 on the first day of February, 1844; \$502,222.22 due April 1, '42 and '43; \$811,111.11 due Nov'r 1, '50; and \$80,793.83 due to the State of Delaware, in 1843.

The impossibility of liquidating such of the above loans as were about to mature, led the Directors to call a meeting of the Stockholders of the Company, to take into consideration the expediency of mortgaging the property of the Corporation for the further securing the payment of the different loans. At the meeting of the Stockholders, which was convened on the 14th April, 1842, an ordinance was duly enacted authorizing the President and Directors to execute a mortgage, upon such terms and conditions as they might deem expedient, upon all the estate, real and personal, of the Company, and upon all the income, issues and profits to accrue from their works, saving only so much as might be necessary for the expense of the road, and keeping the works in repair.

In pursuance of this authority, a mortgage was executed, on the 21st May, 1842, to three trustees, in the name of the Company, to secure the payment of the loans falling due in 1842, 1843 and 1844.

The other sterling bonds, amounting to \$811,111.11, so far as regards the principal thereof, are not included in the mortgage of 21st May, 1842, but are secured by a mortgage executed at a subsequent date, and expressly subject to the prior mortgage. By the first mortgage the whole of the nett income is set apart to pay, in the first place, the interest on the four loans therein secured, and, in the second place, to pay the interest on the principal sum, secured by the second mortgage.

A sinking fund is established, which is to commence at a period not later than the first of January, 1844, by which \$230,000 are appropriated for the first year, \$255,000 for the second year thereafter, and the further sum of \$280,000, annually, for each and every succeeding year; to be applied, semi-annually, in two equal instalments, as follows: *first*, to pay the interest on the loans secured by the mortgage of the 21st May, 1842; *second*, to pay the interest on other debts of the Company, to an amount not exceeding the sum of one hundred and eighty-two thousand, five hundred pounds sterling: *third*, to pay the principal of the loans secured by the mortgage

of the 21st May, 1842, in the following order and mode of payment, that is to say: first, *pro rata* among the holders of the loan payable June 1st, 1855, and the bond to the State of Delaware, due April 1st, 1856. Second, then among the holders of the loan of one hundred and thirteen thousand pounds sterling, redeemable first January, 1858. Third, among the holders of the loan of 1844.

Of the other provisions embraced by this mortgage it is not deemed necessary, in this Report, more particularly to refer to—the instrument has been prepared with great care, and is deposited in the office of the Company, in the hope that it may be inspected by all who have an interest in its provisions.

A statement of the present assets and liabilities of the Company, from the books of the Treasurer, showing the position of the loans under the mortgage, is hereto annexed, marked (A.)

The bonds of the Company for \$80,000, referred to in this statement, and which do not appear in the last report, were issued under the following circumstances.

On the 10th of March, 1841, the notes of the Company were issued to Joseph Wood, Agent, for \$60,000, and the bonds for \$80,000, were placed in his hands, as collateral. The consideration paid by Mr. Wood for the notes of the Company was \$60,000, in notes of the Bank of the United States, the proceeds of which amounted to \$48,466.21. The minutes of the Board contain no authority for an issue of the Company's notes under such circumstances—*nor does any entry of this transaction appear on the Treasurer's books until the 14th January, 1842.*

Of the amount thus borrowed, \$25,000 was paid previous to the 14th January, 1842, and the balance has since been paid, and the bonds returned to the Company.

The item designated in this statement, under the head of "Bills Payable," has been, and is now, a source of great embarrassment to the Board of Directors. As now ascertained, it amounts to \$135,331.15, and, large as this amount is, it could all have been liquidated the past year, had the receipts of the Company been equal to those of the year immediately preceding.

The whole amount of receipts from both Companies for the year ending 21st December, 1842, are \$469,858.04—the particulars of which are set forth in the statement marked (B,) hereto annexed.

The expenses of both Companies for the year ending the same day, are \$239,965.07, as will appear from the accompanying exhibit marked (C.)

From these statements it will be seen, that while there is a diminution of the revenue for 1842, of \$134,010.65, the expenses have been less by \$102,979.70 than during the year 1841, and that, therefore, the falling off in the aggregate net revenue does not exceed \$31,030.95.

The Comparative Statement exhibits the actual expenses of both Companies for 1841, 1842, showing a saving in favor of the last year over the former of \$102,979.70.

The system of economy which has produced the above favorable results, and which has been in operation for about eight months of the past year, is

the commencement of a plan which must lead to a still further reduction of expenses. In a work like this, which was constructed at a period when the country was in a state of supposed prosperity, and when the spirit of activity and enterprize which followed, led its proprietors to suppose that every returning year would find its revenue increasing, it is no matter of surprise that the subject of retrenchment was postponed.

The condition of the treasury for the past year, has taught a lesson which cannot be misunderstood; and the Directors cannot, if they would, pursue any other system than that which demands a still further reduction in the expenses.

Economy, however, in connection with this subject, must not degenerate into a system which may circumscribe the benefits of the work, or diminish the facilities and conveniences which are expected by the travelling community. The railway and machinery must be maintained in the highest state of efficiency, in order to secure that safety and expedition in the conveyance of passengers which it has been the peculiar good fortune of this road to enjoy.

In connection with this subject, the Board would report, that they have erected in the city of Philadelphia, at a very moderate cost, a commodious Depôt for the accommodation of passengers, and freight.

For the want of such accommodations as are now enjoyed, the Company have been compelled to pay exorbitant rents in different sections of the city for the security of their cars; while the passengers, on their arrival and departure, have been exposed in the public highways without any protection whatever. To guard against these inconveniences, as well as to improve the property of the Company, which was becoming day after day less productive, the Board resolved to erect the Depôt which is now opened for the comfort and convenience of the traveller and transporter.

It occupies the lot of the Company on Market, east of Eleventh street, and covers an area of 103 feet front, by 180 feet in depth.

The ground plot is divided, on Market street, into seven compartments, embracing four stores with commodious cellars, a ticket office, and passenger parlour, with two gates of entrance for the cars.

The stores, cellars and other portions of the building, when finished, will yield a revenue to the Company of not less than 30 per cent. on the whole cost of construction, while the reduction of the expenses in the item of rents alone will not be less than \$2750.

A space in the rear of the stores, measuring 103 by 120 feet, is covered with an ingeniously constructed roof stretching across the whole Depôt, without the inconvenience of intermediate supports: under this roof all the business connected with the arrival and departure of the passengers, as well as the freight and baggage trains, will be transacted.

With these arrangements completed, the Company will be enabled, by concentrating their offices, still further to reduce the expenses, and at the same time furnish increased accommodation to the public.

The accompanying Report of the Superintendent, upon the condition of the railway and machinery, warrant the Board in saying, that the road and bridges throughout the entire work are in a better state of repair, and the machinery more perfect and efficient, than at the date of the last annual report.

The increase of travel on the road from the far west, for the last few months, has shown that the Board did not over-estimate the advantages which this Company would derive from the completion of the Baltimore and Ohio Railroad to Cumberland. The destination of that great work is the valley of the Mississippi, and the Board of Directors of that Company, in their last report, have resolved to push their work forward without interruption, into the heart of the coal and iron deposits of the county of Allegheny. These gradations, it is believed, will develop such resources as will secure at an early day its completion to the banks of the Ohio. The completion, also, of the Monongahela Slack Water Navigation to Brownsville, the last section of which is now in rapid progress of construction, will enable this Company to enter into a fair competition for the trade of the west.

In concluding their Report, the Board of Directors would remind the Stockholders, that while the Railroad has suffered from the embarrassment of the times in a greatly diminished revenue, there is much cause for satisfaction in the result of that arrangement by which the loans of the Company have been extended, and placed upon a safe and permanent basis.

All which is respectfully submitted.

M. BROOKE BUCKLEY, *President.*

pledges Newhous'

15,000 sh. Stock at 45

Mortgage

2000 - sh. — — 45 - Riddle

A.

The Philadelphia, Wilmington, and Baltimore Railroad Company, in Account with ALLAN THOMSON, Treasurer, December 31st, 1842.

Dr.	\$	4,584,702 56
To Road Account,		3,456 50
Advances to Contractors, (Road Account,) -		10,912 90
Real Estate, -		687,300 00
Stock owned by the Company, -		500 00
Unpaid Instalment, -		1,154 13
Philadelphia County, Balance of Account for Fencing, &c., -		Bonds Receivable, as follows :
M. Newkirk, due 1st November, 1850, -	\$495,000 00	
Do. due 26th March, 1843, -	16,335 00	
N. Biddle, due 1st November, 1850, -	90,000 00	
John Connell, past due, -	4,500 00	605,835 00
Bills Receivable,		1,295 00
M. Newkirk, for interest due November 1st, 1842, on Bond \$495,000, -	16,335 00	
Interest to September 26th, 1842, on his Bond and Mortgage for \$16,335, -	490 05	
Purchase money of Gray's Ferry property, -	10,000 00	26,825 05
N. Biddle, for interest due May and November, 1842, on Bond for \$90,000, -		5,913 00
John Connell, for interest to date on his Mortgage for \$4,500, -		627 75
General Post Office Department, balance due for Transportation of U. S. Mail, -		7,635 15
Balance due from Agent, -		8,100 41
Agents in London, -		20 36
Allan Thomson, Treasurer, -		19,221 07
		<hr/> \$5,963,498 88

Cr.	\$	2,806,350 00
By Capital Stock,		
Loan, due 1st June, 1855, -	\$700,000 00	
" £113,000 sterling, due Oct. 1, 1855, in London, -	502,222 22	
" due 1st February, 1858, -	\$878,760	
less owned by the Company, but issued as collateral,* -	76,340	802,420 00
Loan £182,500 sterling, due 1st November, 1860, in London, -	811,111 11	2,815,753 33
Bonds Payable, including the State of Delaware, -		138,643 83
Bills Payable, -		135,331 15
Real Estate Damages, Judgment, -		6,000 00
Gray's Ferry Property, sold M. Newkirk, -		10,000 00
Newcastle and Frenchtown Railroad Company, balance due them, -		14,138 87
Sundry Individuals, -		3,062 99
Unclaimed Dividends and Interest, -		3,432 00
State of Delaware, Semi-annual Tax, due 1st January, -		500 00
Profit and Loss, -		30,286 71
		<hr/> \$5,963,498 88

* The Loan in the Report of January, 1842, is stated at There had been issued in March, 1841, as collateral for Notes of the Company, -		\$798,760 00
		80,000 00
Making the amount secured in the Mortgage, -		<hr/> \$878,760 00
On the 17th October, 1842, there was issued in settlement of \$3,500 of Bonds Payable and Interest, (being so much in reduction of that item,) the sum of -		3,660 00
The Balance issued as collateral security, as above, -		76,340 00
		<hr/> \$80,000 00

B.*Receipts of the Philadelphia, Wilmington, and Baltimore Railroad for the year ending December 31st, 1842.*

RECEIVED.	From Passengers.	Freight.	U. S. Mail.	Tolls.	Rents.	Total per Month.
January,	\$21,699 93	5,506 09	2,550	338 00		\$30,094 02
February,	20,801 80	7,239 25	2,550	280 00		30,871 05
March,	30,973 46	5,711 85	3,050	359 00		40,094 31
April,	32,563 51	4,387 99	2,550	340 00	681 67	40,523 17
May,	33,370 23	2,677 97	2,550	368 00	355 00	39,321 20
June,	21,931 34	548 75	2,550	378 00		25,408 09
July,	22,199 99	615 59	2,550	418 00	875 00	26,658 58
August,	24,522 86	373 08	2,550	355 00		27,800 94
September,	25,085 35	471 32	2,550	295 00	316 67	28,718 34
October,	32,231 33	3,884 41	2,550	280 80		38,946 54
November,	24,790 85	3,035 18	2,550	193 00		30,569 03
December,	20,496 42	4,248 54	2,550	184 00	390 25	27,869 21
Total,	\$310,667 07	38,700 02	31,100	3788 80	2618 59	\$386,874 48
The Receipts on the New Castle and Frenchtown Railroad, for the same period, amount to						82,983 56
Receipts of joint Companies in 1842,						\$469,858 04

*Comparative Statement of the Joint Companies for 1841
and 1842.*

	P. W. & B. R. R.	New Castle R. R.	Total.	Decrease.
Receipts in 1841,	\$461,981 98	141,886 71	603,868 69	
Do. 1842,	386,874 48	82,983 56	469,858 04	134,010 65
*Expenses in 1841,	\$245,167 52	97,777 25	342,944 77	
Do. 1842,	184,463 63	55,501 44	239,965 07	102,979 70
Decrease in Net Revenue for 1842,				\$31,030 95
* As per statement C.				

C.—Comparative Statement of Expenses of the Philadelphia, Wilmington, and Baltimore Railroad Company, for 1841 and 1842.

	EXPENSES.		
	1841.	1842.	Total.
<i>Expenses of Transportation, viz.</i>			
Rents, including Philadelphia City and Southwark Railroads, -	-	-	
Coal, -	\$ 9,511 06	\$ 6,756 58	\$10,174 08
Wood, -	2,170 50	395 97	395 97
Oil and Tallow, -	28,588 33	22,201 83	22,724 04
Salaries of Superintendent, Agents, Conductors, &c., and other expenses, -	6,130 63	1,799 94	2,151 49
*Horse Power in Philadelphia and Baltimore, -	44,842 87	30,056 80	32,031 20
†Steamboats, for Repairs, Table, Wages of officers and crews, &c. -	17,955 71	7,371 79	8,150 04
	25,218 25	13,626 67	13,925 67
Repairs of Road, -		\$134,417 35	\$89,552 49
Repairs of Bridges, -			
Repairs at Depôts, -	44,143 60	27,480 80	33,426 01
Repairs at Water Stations, -	{ 6,673 88	5,945 21	6,974 93
Repairs of Engines, -	503 43	1,665 27	40,400 94
Repairs of Cars, -	199 10	58 60	1,964 80
§Repairs of Cars, -	24,131 08	14,597 22	81 55
	11,248 52	9,123 09	17,071 12
Office and Incidental Expenses, -			13,325 03
Salaries, Lunch at Wilmington Depot, &c., &c.			
Insurance, Taxes, and Discount on Uncurrent Money, -	19,254 53	9,580 22	10,192 48
Printing and Stationery, -	3,027 54	3,912 47	3,989 11
Attorneys' and Witnesses' Fees, Costs of Suits, &c. -	2,199 47	1,396 40	1,830 09
	6,042 90	5,068 51	5,318 51
Construction of Road, -		737 51	21,330 19
Construction of Philadelphia Depôt—Labor, -		3,378 80	737 51
Materials, -	32 17	2,497 65	
Total 1841, -	\$245,167 52	Total 1842, -	\$191,192 25
Deduct Cost of Philadelphia Depôt, -	-	-	6,728 62
Amount of 1842, -	-	-	\$184,463 63

* The cost of Horse Power in 1842 was \$10,310 04, less received from sale of horses \$2,160, leaves \$8,150 04 as above.
 † The Steamboats Carroll and Susquehanna were thoroughly repaired in 1841, at an extra expense of about \$14,000.
 § Cost of reconstruction of Engines and Tenders, \$5,663 92 in 1842.
 || Cost of rebuilding Passenger Cars in 1842, \$5,648 32.

Chief Engineer's Report.

RAILROAD OFFICE,
WILMINGTON, JANUARY 2, 1843. }

To the President and Directors of the Philadelphia, Wilmington, and Baltimore Railroad Company.

GENTLEMEN,—In presenting for your consideration a review of the operations of the Road for the past year, or, more properly speaking, for the past eight months, to which period only has the active management of the Superintendent, under the instructions of the Board of Directors, been applied; it would seem to be appropriate to offer a brief sketch of the condition of its different departments, viz: Road, Bridges, Depôts, Machinery, &c., and to specify the amount of labor and materials expended within the year, on some of the more prominent points.

This is necessary to enable the Company to form a comparison between the last and former years, with reference to the quantity of work done; a comparison of some interest in view of the reduction of expenditures which has been made.

When a system of retrenchment, on a great public work, is resolved upon and put into operation, it becomes important to know whether it be a system productive of true and lasting benefit, or one only calculated to excite favorable anticipations, at first, and in the end, by failure, to sink the hopes of the shareholder into deeper despondency, and change his brief expectations of benefit into permanent distrust and despair.

Whether the system of management introduced under your instructions, has been one of true or false economy you may decide from the information which has, from time to time, been laid before you, and your own observation, as well as from the present statement of what has been done in each department of the road and its machinery.

It has been well observed, that “all heavy expenditure may not be extravagance, nor all saving true economy.” Good judgment, in such matters, is best exhibited by adopting the one or the other course, as circumstances indicate.

Much more could have been, advantageously, *spent* upon the road and machinery had the funds of the Company been more abundant, while, on the other hand, much more could have been *saved* had a total disregard for their condition, this year and the next, been observed. While the pressure of retrenchment was upon him, it has been impossible for the Superintendent to produce any sudden and striking improvements. He has not aimed to do so with a view to effect, but consulting, as he believed, the true interests of the Company, he has endeavored to introduce gradual and permanent improvement, at the least possible cost, and to correct such abuses and neglect as may be said to creep, almost naturally, into the management of a large work.

THE ROAD FROM BALTIMORE TO HAVRE DE GRACE.

This part of the work was, early in the Spring, placed under the charge of one Supervisor instead of two, by which a saving was effected both in pay and in the number employed, while greater attention was given to the repairs, by concentrating a larger force upon such points as required it. Three hundred and sixty-five thousand, five hundred and sixty-five feet of yellow pine 6×6 string pieces, equivalent to 11 miles of double rails, have been inserted this year past, to replace a like quantity of decayed or worn-out timber. This is four miles more than was laid down in 1841, on this section of the road; a corresponding increase in the number of cross-ties, bolts and spikes has taken place. The tracks, on this part of the road, present a true alignment, with a smooth and even surface throughout, that portion between Perryman's and Havre de Grace, 9 miles in length, having been put in thorough repair.

The tracks in Baltimore, from President street Depôt to Canton, have required more attention this last year, in consequence of the use of Engines upon them. A quantity of string pieces have been purchased to renew those decayed, which will be inserted, from time to time, as required.

THE ROAD FROM SUSQUEHANNA RIVER TO WILMINGTON.

This Division has received the requisite attention to keep it in as good order as possible, on the plan of its original construction. A large number of cross-ties have been put in to replace those decayed; a great many bent and defective rails taken up and adjusted; extensive drains cut or re-opened to carry off water and dry the road-bed, composed, for the most part, of clay; and three of the Deep Cuts thoroughly cleared of accumulated deposits and the waste earth distributed over such parts of the road as required filling up.

The Supervisors are of the opinion that the road is in as good, if not better, order than for the last two years, in which opinion I concur. In this connection I may remark the importance of economy in matters of apparently small concern, as illustrated by the fact that nearly the whole of the spikes used on this part of the road, for repairs, were made out of the old broken English spikes, collected along the road, which only required to be drawn and headed to be converted into a perfect article; the heat taken in the fire and hammering making the iron as tough as the best American. The use of this old material, together with the exclusive manufacture of spikes by the Company, has produced a saving, in eight months, of \$469.43, in the article of spikes alone, on the repairs of 34 miles of road.

FROM WILMINGTON TO GRAY'S FERRY.

This Division is laid with six miles of Edge Rail—now in a much improved condition—and eighteen miles of flat bar rail, resting on 6×6 inch wooden string pieces.

One hundred and twenty-eight thousand, four hundred and sixty-nine feet of these worn-out and decayed strings have been replaced by new timber, equivalent to four miles of double rails; a great number of old strings have been turned and the sound side placed uppermost; others have been cut up and used as cross-ties.

This part of the road is certainly in better order than last year. The tracks, in many cuts, have been raised and adjusted, and ditches opened or cut where draining had not been done before.

A new Switch and Sideing has been laid down at the Lazaretto, affording additional and necessary facilities for passing on the road.

On the whole, then, it may be remarked, that, during the past year, the 7th since the tracks were laid down, when much decay and dilapidation had to be provided for, the road has undergone more extensive repairs, with labor and new materials, than in any former year, and has been preserved in as good, if not better, condition and efficiency than for the two years previous.

In the item of lumber for strings, 225,000 feet more was purchased and laid down last year than during the previous year.

OF THE BRIDGES.

That over Harris' Creek has received the additional support of a pier of Piles to render it strong enough for the passage of Engines from Canton into Baltimore.

The Pile Bridges over Back, Gunpowder and Bush Rivers have been repaired in ice-breakers, tops of piles, and rail strings, to a greater extent than any former year, at a cost of more than \$2,575, chiefly expended on the Gunpowder, which will need but few repairs next year. Many of the ice-breakers of Bush River Bridge will require renewal this year.

The superstructure of these Bridges, I will remark, as I have often done before, is strong and safe. They cannot, under any circumstances, give way without full warning to those on the road and the Bridge Keepers. It would have perhaps been better, originally, to have extended the platform on either side, with a view to the *appearance* of greater security, the narrowness of the Bridges causing an apprehension of danger which does not exist.

The Bridge over Mill Creek, near Bacon Hill, which was carried away by a flood last June, has been rebuilt with an enlarged Water Way.

The residue of the Bridges between Susquehanna River and Wilmington will need, being all built of stone but one, but little repair for many years, unless damages by floods should ensue.

OF THE BRIDGES FROM WILMINGTON TO GRAY'S FERRY.

That over the Brandywine was repaired and strengthened by additional support last summer, at a cost of \$462.50. That over Darby Creek was repaired in a similar manner, at a cost of \$417.

Gray's Ferry Bridge had one draw raised and adjusted and a new drop rail put in to raise the track and permit the passage of Engines over the bridge, cost \$399.25.

All the Bridges between Wilmington and Gray's Ferry are safe, and cannot fail without giving timely warning so as to prevent all bad accidents. They will receive additional repairs next summer.

DEPOTS.

An additional Smith's shop has been erected at Canton, which will enable the Company to have more work done by their own hands, and at a less cost, than at other shops.

The tracks in the Depôt building at Havre de Grace have all been taken up, in consequence of decay, and laid entirely new, with the addition of a substantial stone pavement in lieu of the plank platforms.

At Cecil Depôt a spacious wood shed has been erected out of old "strings" and boards on hand, which also affords protection in winter to the Locomotive Sawing Machine. Wood is now sawed there for twenty-five cents per cord, instead of fifty cents as heretofore.

At Elkton a new turn-table has been laid down, and the roof of the Depôt there newly shingled.

At Wilmington a new turn-table has been laid down, and a pipe to supply the Stationary Engine with water.

ENGINES AND TENDERS.

At Canton shop more work has been done than heretofore, at reduced prices. A chuck lathe, not used at Gray's Ferry, was sent down and put up in the shop, in which wheels can be bored and faced, tires turned down, and other similar work done at less cost than in other shops.

The five Engines at Canton are in better order than last year, and beside have had some new and improved machinery put on them. One of the old four-wheel Tenders, quite worn out, has been converted into a new six-wheel tender, at a cost of \$479.36, all the work except brass and iron castings and springs having been done in the Company's shop, in a substantial manner. An inspection of the annual return of William Duff, the active and attentive Superintendent at Canton, shows the cost of repairs on five

Engines and Tenders for 1841,	\$1835.96
Do. do. 1842,	\$1717.35

(the reconstruction of the six-wheel Tender omitted.)

The shop at Canton is now well equipped with tools, machinery and good hands, and prepared to do any kind of work pertaining to Engines, or Road, at a great saving to the Company.

From the Susquehanna River to Gray's Ferry there are nine Engines. Eight are in good order, requiring but slight repairs, and one in running order, but needing more extensive repairs.

Four of these Engines have been rebuilt or thoroughly repaired during the year, at a cost of \$3904.46.

In March, last, it was a subject for deliberation, whether a new Engine should not be purchased; but now, so far from requiring it, the sale of two on hand might be advisable, at a suitable price. Of the four Engines rebuilt, two were done at New Castle, one at Philadelphia, and one at Gray's Ferry.

Two old four-wheel Tenders have been converted into new six-wheel Tenders of greatly improved construction, and one six-wheel Tender altered and newly arranged, the three costing \$1283.

It is much to be regretted that the Company have no shop for repairs at Wilmington, which would enable the Superintendent, Mr. James Elliott, who has effected a considerable reduction of expenses in the last year, to do a large amount of work with the Company's hands, and reduce expenses to a much greater extent than can otherwise be done.

For the re-construction of Engines and Tenders during the past year, there has been expended the sum of \$5663.92, independent of heavy ordinary repairs which had to be done. The highest testimony may be borne in favor of the six-wheel Tenders. The draw-spring, which has been, for the first time in this country, at least, attached to the connection between the Engine and Tender, together with the six-wheel arrangement, gives the Tenders, as well as the Engines themselves, an ease and steadiness of motion entirely new, leaving scarcely any other improvement in this respect desirable.

PASSENGER CARS.

Of the twenty-two Cars on the Road, four have been re-built and newly arranged at Canton, doing great credit to the builder there; and four re-built and turned out "better than new," at Wilmington, from the shop of Betts, Harlan & Hollingsworth.

Three of these Cars have been placed on the Road, and the remaining five will take their places in the Spring. One Baggage Car has also been re-built and a new Horse Car constructed.

The cost of re-building the eight Passenger Cars, in all respects as good now as new ones, has been \$5648.33, a sum equal to the purchase of three new eight-wheel Cars. All the other cars have been repaired in the running gear and trimming; the former, after many years' service, had become much worn and deranged.

There is perhaps no part of the apparatus of a Road more difficult to restore to order, when run down, than Passenger Cars. Partial repairs in the trimming, &c., scarcely alter their appearance for the better; they will look old and shabby and dirty still, and nothing will give them the aspect of decency and comfort but thorough repairs. It was impossible to do this, at once, without a larger expenditure than the object warranted, and hence the reputation of the Road may have suffered in this respect. The "turn out" of Cars in the Spring will doubtless give satisfaction to the travelling community.

WOOD.

The purchases of Wood for 1841 amounted to 9286 cords, for all uses, including Steamboats Susquehanna and Robert Morris, of which 1399 cords were left on hand in the Spring of 1842.

The purchases for 1842 were $7251\frac{3}{4}$ cords. Should this Winter prove as mild as the last, there will be a like amount of wood left on hand this Spring.

There will be a great decrease in the consumption of wood this year from two causes, viz: First, the purchase of a better article under a new system of inspection. Second, the use of a less number of Engines daily for the work of the Road, although the same number of *lines* are running over it. Six Engines were in daily use last Winter and Spring between the Susquehanna River and Gray's Ferry, since when *four* have been found sufficient to do the work of Passenger and Freight Trains, with but few exceptions, and at the same time to distribute materials of wood and stone for repairs of road, and the construction of the Philadelphia Depôt; and to haul waste earth from the Deep Cuts.

OIL.

The great reduction in the consumption of this article over 1841 is in part owing to the introduction of soft metal bearings in 1841, the greater part of which year had the benefit of their use, though not all of it; but the chief saving has been produced by restricting the distribution of Oil to two points, Wilmington and Canton, and charging every one with the quantity taken. In the Spring of 1842 there were *seven* points for the distribution of Oil, each supplied with a cask or barrel.

A still greater diminution in the consumption of Coal will take place.

Consumption of Oil, 1841,	.	.	.	.	.	\$6130.63
Do. " 1842,	.	.	.	.	.	\$2151.49
Decrease,	.	.	.	.	.	\$3979.14
Purchase of Coal, 1841,	.	.	.	.	.	\$2170.50
Do. " 1842,	.	.	.	.	.	395.97
Decrease,	.	.	.	.	.	\$1774.53

It is necessary to observe, that about \$200 worth of Coal was left on hand of the purchase of 1841.

OF THE COMPARATIVE EXPENSES OF 1841 AND 1842.

By the annexed tabular statement, (marked C,) it will be perceived that the Expenses for 1841, were,	.	.	.	\$245,167.42
Do. 1842,	.	.	.	\$191,192.25
Decrease,	.	.	.	\$53,975.27

Or, rejecting the cost on the construction of the Philadelphia Depôt, The Decrease is, \$60,703.89

The appropriate expenses of each year have been carefully ascertained by going over all the bills of each, (assisted by Mr. Campbell and Mr. Thomson,) and rejecting the bills made previous to each year respectively. All the outstanding bills for 1842 have been carefully collected and included.

By reference to this statement it will be seen in what branches the chief reductions have been made. In the expenses of transportation there is a great difference.

Expenses of Transportation for 1841,	.	.	.	\$134,417.35
Do. do. 1842,	.	.	.	89,552.49
Decrease,	.	.	.	\$44,864.86
Or, not including the extraordinary repairs in 1841, to				
Steamboat Susquehanna,	.	.	.	14,000.00
The Decrease is,	.	.	.	\$30,864.86

It is to be borne in mind that the retrenchments of expenses under the orders of the Board of Directors did not fairly commence until May, 1842, and hence have not been in operation over eight months of the year. It is certain that the expenses for the year ending on the 30th of April, 1843, will fall below those for the year ending 30th of April, 1842, to a much greater extent than as here presented.

The instructions from the Board of Directors, both verbal and written, requiring the General Superintendent to retrench expenses in every possible way consistent with true economy, have been carried out under the authority given, with a continuance of effort which has not been relaxed a moment, however unpleasant or laborious the duty. He was early led to believe, when less informed than now of the real necessity of such a step, that every thing depended on a reduction of expenses to the lowest sum. This object has been kept in view as his governing principle, and has influenced all his movements. It will serve to explain some irregularities and defects which some may have attributed to neglect or bad management, but which are susceptible of easy explanation.

In the discharge of the duties imposed on him, under the ample authority given by the Board of Directors, the Superintendent has the satisfaction of believing that he has neither oppressed nor done injustice to any, however obscure or respectable. He has equally admitted the right of both classes to inquire the reasons for any step he thought proper to take; hence discharges and reductions of wages have been made without disturbance or complaint, but not the less repugnant to his nature on that account. It has been a delicate and painful task to reduce the wages of the mechanic and laborer; most trying to the feelings to discharge from long service many who could not hope to find employment elsewhere; it has been disagreeable, also, to require those from whom purchases were made to reduce their bills or their prices; and unpleasant, in the extreme, to contend with respectable manufacturers for an abatement in their charges. Yet these things have been done from a sense of duty, whenever the interest of the Company required it. They are not referred to here for the purpose of enhancing the value of services which many others could have better performed, but for the purpose of saying that but two motives could have impelled him to undertake such a task: first, a duty to the Company, and the service he might render valued friends; second, the gratification he might derive from participating in a successful endeavor to relieve a valuable public improvement from embarrassment and depression. He will frankly admit and declare that the absence of either of these motives would have deterred him from undertaking that which has, in every way, been laborious and disagreeable, and most trying to the feelings and temper.

So far as the reduction of expenses has been carried, it is well; it may be asked, emphatically, what would have been the condition of the Company without it? But to answer this interrogatory would afford him far less pleasure than to say, in full confidence, founded upon the experience of the past year, and a thorough insight into the affairs of the Road, that he believes the reduction of expenses has been but fairly commenced.

Reduction and reform in the expenses of private families or manufacturing establishments cannot be completely carried out for months or years. Much less then must it be expected that the complicated affairs of a large Railroad Company can be passed through the trying process of retrenchment to the fullest extent in the comparatively short space of eight months.

How much may be done in another year, by constant and vigorous effort,

guided by the best judgment of the Directors, I know not. I believe as much or more than during the past.

I have the honor to be, Gentlemen,

Very respectfully, Your Obedient Servant,

ISAAC R. TRIMBLE,

Engineer and General Superintendent.

Comparative Statement of the Cost of "Working" different Railroads.

<i>NAMES OF ROADS.</i>		<i>Ann'l Expenses</i>	<i>Number of miles run by engines.</i>	<i>Expense per mile.</i>
Boston and Lowell	Railroad, 1841,	119,469.32	125,296	\$ 95 $\frac{42}{100}$
Boston and Providence	" "	110,397.99	107,638	1.02 $\frac{56}{100}$
Boston and Worcester	" "	152,606.39	165,217	92 $\frac{37}{100}$
Eastern	" "	193,320.37	191,209	1.01 $\frac{10}{100}$
Lowell and Nashua	" "	38,206.17	43,515	87 $\frac{87}{100}$
New Bedford and Taunton	" "	22,285.63	27,039	82 $\frac{42}{100}$
Western	" "	104,806.56	147,606	71
Philadelphia and Reading	" "	62,635	83,717	74 $\frac{82}{100}$
Baltimore and Ohio	" 1842,			59
Baltimore & Susquehanna	" "			58 $\frac{50}{100}$
Philada. Wilm'n. & Balt.	" 1841,	245,167.52	183,978	1.33 $\frac{40}{100}$
*Do., deducting horse power and expense of S. B. Susquehanna,	"	209,906.52	183,978	1.14 $\frac{10}{100}$
Phila. Wilm'n. & Balt. Railroad,	1842,	184,463.63	177,859	1.03 $\frac{71}{100}$
*Do., deducting horse power and expense of S. B. Susquehanna,	"	169,990.08	177,859	95 $\frac{60}{100}$

*It will be noted that there are five miles of this road at the ends "worked" by horse power.



Stockholders' Meeting.

At a meeting of the Stockholders of the Philadelphia, Wilmington and Baltimore Railroad Company, held pursuant to public notice, at the office of the Company in the city of Wilmington, Delaware, on the 9th day of January, 1843,

On motion,

BENJAMIN W. RICHARDS, of Philadelphia, was appointed Chairman, and JAMES COUPER, of New Castle, Secretary.

The Annual Report of the Directors to the Stockholders, with accompanying documents, was presented.

Of these papers, the Report of the Directors to the Stockholders, and that of the General Superintendent to the Directors, were read.

On motion,

Resolved, That the Report of the Directors be accepted and approved.

On motion,

Resolved, That the said Report, with its accompanying documents, be referred to the Board, about to be elected, for publication.

On motion,

The Stockholders adjourned for the purpose of proceeding to the election of Directors for the ensuing year.

The election having been held,

The Certificate of the Judges of the Election announcing the results.

RESULTS OF THE STOCKHOLDERS' MEETING,

HELD JANUARY 8, 1844.

Philadelphia:

THE UNITED STATES BOOK AND JOB OFFICE.

.....
1844.

DIRECTORS ELECTED BY THE STOCKHOLDERS
FOR THE PRESENT YEAR.

Pennsylvania.

M. BROOKE BUCKLEY,
JOHN A. BROWN,
ISAAC HAZLEHURST,
ROBERT PATTERSON,
A. J. LEWIS.

Delaware.

JAMES ROGERS,
GEORGE BUSH,
EDMUND CANBY,
MAHLON BETTS,
WILLIAM R. SELLERS.

Maryland.

J. I. COHEN, JUNR.,
HUGH McELDERRY,
WILLIAM A. PATTERSON,
THOMAS KELSO,
WILLIAM B. HALL.

At a meeting of the Board of Directors, held the same day, the following named Gentlemen were elected

OFFICERS.

M. BROOKE BUCKLEY, *President*,
GEORGE D. BLAIKIE, *Secretary*,
ALEXANDER CAMPBELL, *Treasurer*.